



Disability Retirement Guide

Public Employees' Retirement System of Mississippi



Disability retirement benefits available through the Public Employees' Retirement System of Mississippi (PERS) provide you with a secure income if you become permanently sick or injured while employed in a PERS-covered position and can no longer perform the job's essential duties.

If you are an inactive member, disability retirement coverage is only extended to you upon proof that the qualifying disability occurred within six months of termination and that the disability was a direct cause for termination from covered employment. Your membership is considered inactive if you are no longer working in any PERS-covered position and have not retired or received a refund of your contributions.

PERS provides two types of disability retirement benefits: non-duty-related and duty-related.

Non-Duty-Related Disability

To qualify for non-duty-related disability retirement, you must meet the vesting requirement for your Retirement Tier. Members are covered for non-duty-related disability retirement in one of two plans:

- **Age-Limited Disability Plan** - Applicable to members employed before July 1, 1992, who did not elect the Tiered Disability Plan and who have not received a refund of contributions since July 1, 1992 (See page 6.)
- **Tiered Disability Plan** - Applicable to members employed before July 1, 1992, who elected the Tiered Disability Plan; offered as sole plan selection to new members who enter PERS on or after July 1, 1992 (See page 7.)

If you are an inactive member who returns to covered employment then applies for non-duty-related disability retirement within six months, you must be vested at the time of application and must prove that you were physically capable of performing the job at the time of hire.

Duty-Related Disability

You may be eligible for duty-related disability retirement if you become disabled as a direct result of a physical injury sustained from an accident or traumatic event caused by external violence or physical force that occurred in the performance of official job duties. This coverage begins on the first day of PERS-covered employment. Duty-related disability benefits are the higher of either 50 percent of average compensation (tax-exempt) or the non-duty-related disability amount.

Application Process

1. Complete and file the disability retirement application. (See page 3)
If approved, your effective date of disability retirement will be the first of the month after either receipt of a completed DSBL 1, *Pre-Application for Disability Retirement Benefits*, or actual termination from covered employment as certified by your employer, whichever is later. After receipt of the DSBL 1, PERS will mail you an Estimate of Benefits.
2. You are responsible for gathering all documentation to support your claim. A PERS benefit analyst will send periodic checklists during the application process to help you track what is needed. If you are an inactive member, you must furnish additional documentation including, but not limited to, copies of tax returns and medical records dating back to the year you terminated covered employment.
3. If you have terminated employment, you will have 90 days from your effective date of retirement to submit all required documentation. If your termination date is pending, you have 90 days from PERS' receipt of your DSBL 1. Failure to meet the filing deadline will result in your having to re-apply for disability retirement.



Photo Credit: Celal Tebar

Roles & Responsibilities

You, the Applicant

- Complete all required forms and provide any required medical documentation. Follow up with your employer or medical providers if information regarding your case is not submitted in a timely manner.
- Contact PERS if your status changes and you are able to continue or return to work.
- Make every effort to attend PERS-scheduled doctor's appointments. Failure to submit to any required examination, unless rescheduled, will void your application.

Your Employer

- Complete and submit forms DSBL 1, 2, and 3, which include certifying your job duties and physical requirements, as well as your termination date.
- Certify whether alternative employment and reasonable accommodations were offered to you as required under the Americans with Disabilities Act.
- For a duty-related disability application, certify whether the accident or injury occurred while you were performing work-related responsibilities. Submit a copy of the Mississippi Workers' Compensation Commission *First Report of Injury or Illness*.

Your PERS Benefit Analyst

- Keep you informed of your claim status throughout the application process, provide guidance about required forms and necessary materials, and process the claim quickly and accurately.
- Make you aware of options regarding disability or service retirement so that you can make informed decisions regarding benefits.
- Serve as the liaison between you and the Medical Board.

Disability Retirement Forms

The disability retirement application process consists of 10 forms that are completed in two phases, plus, if eligible, an additional form, DSBL 11, *Temporary Benefit Application* (See page 5.), that is completed once all other required forms are completed.

The forms may be completed by you or by your authorized representative. If an authorized representative completes the forms, he or she must provide a copy of the durable power of attorney, conservatorship or guardianship papers, or other legal documents as proof of authority.

Phase 1 Forms

Forms DSBL 1 through 6 are on the PERS website and must be completed and submitted before you begin Phase 2 forms.

- **DSBL 1, Pre-Application for Disability Retirement Benefits** - Captures your information and acknowledgement of the 90-day submission deadline. *Requires employer certification and submission of your birth certificate.*
- **DSBL 2, Employer's Certification of Job Requirements** - Details your employment status, job description, and job requirements. *Requires employer certification.*
- **DSBL 3, Employer's Job Activities Checklist** - Details your job activities. *Requires employer certification.*
- **DSBL 4, Medical Information and Prior Claim History** - Captures your basic medical information and claims history.
- **DSBL 5, Physician and Treating Facility History** - Captures basic information on treating physicians and facilities. *Requires related forms and records (including office notes, discharge summaries, etc.).*
- **DSBL 6, Family Information** - Captures demographic information on your spouse and dependent children.

Phase 2 Forms

Forms DSBL 7 through 10 will be provided by a benefit analyst as needed after you submit all Phase 1 forms.

- **DSBL 7, Statement of Examining Physician** - Captures physician's evaluation of nature and extent of disability. *Requires physician certification.*
- **DSBL 8, Authorization for Release of Information** - Authorizes treating facilities to release your records to PERS. *This form is for you to complete and submit to treating facilities. Do not submit this form to PERS.*
- **DSBL 9, Disability Retirement Application** - Captures your choice of benefit option, your listing of beneficiaries, and your preference to receive any other available benefits while pursuing disability benefits. *Requires birth certificate for each beneficiary, if selecting a joint and survivor option.*
- **DSBL 10, Payroll Authorization** - Authorizes federal tax withholding as applicable and direct deposit of your monthly benefits.

After submitting all Phase 2 forms, your claim will progress to the Medical Board for review. (See page 4.)

Medical Review & Appeals Process

Medical Review Process

Your completed application and submitted documentation will be reviewed by the Medical Board. The Medical Board is comprised of three medical doctors responsible for identifying specific, objective medical and employment evidence, as documented, to determine whether a permanent medical condition exists that prevents you from performing the essential functions of your job. While the Medical Board gives consideration to Social Security disability determinations, they do not automatically accept that determination as sole evidence of eligibility for PERS disability retirement benefits.

The Medical Board meets monthly to review cases and make decisions. A Notice of Decision letter will be mailed to you within 10 days of the Medical Board's decision on your claim. However, the average time frame from when the application process begins until the Notice of Decision is mailed is about six months. You, therefore, are encouraged to complete your application and submit all required documentation as soon as possible to expedite the process.

The Three Possible Medical Board Decisions

- **Approval** – If terminated from employment, you would be added to the PERS payroll and, within a month, receive your first benefit check along with any applicable retroactive benefits. If not terminated, your employer will need to certify your termination date to PERS before you can be added to the PERS payroll.
- **Deferral** – You may be asked to submit to an independent medical evaluation to aid the Medical Board in making an objective decision. You would be notified in writing of the place and time of your appointment. PERS will pay for the required doctor's appointment and for any necessary evaluation tests. After receiving the additional required medical evidence, the Medical Board will continue its review of your claim.
- **Denial** – If you are denied disability retirement, you may appeal that decision to the Disability Appeals Committee of the PERS Board of Trustees.

Appeals Process

Any appeal of a Medical Board denial must be filed with PERS no later than 60 days after your receipt of the Notice of Decision. A *Notice of Appeal* form and appeal procedures will be included with your Notice of Decision.

The Disability Appeals Committee is a separate panel of experts than those serving on the Medical Board. Upon receipt of your *Notice of Appeal*, PERS will schedule a hearing and notify you of the date and time of the hearing. Although not required, you may elect to have attorney representation at the hearing. A representative from your employer is invited to be present at the hearing.

After hearing the case, the Committee will make a recommendation to the PERS Board of Trustees, which will then issue a final decision on the appeal.

During & After You Apply

Continuing Employment while Pursuing Disability

You do not have to terminate employment to apply for disability retirement. At the discretion of your employer, you may remain employed until the disability decision is rendered. However, if approved, your benefit will not start until you have terminated employment.

Service Retirement while Pursuing Disability

If eligible, you may begin receiving service retirement benefits while pursuing approval for disability retirement. Your PERS benefit analyst will provide you with the necessary form to make this election and to select your benefit option. The Partial Lump Sum Option (PLSO) is not available to disability applicants.

If you elect to receive service retirement benefits while pursuing disability retirement and you are not approved for disability, you cannot change the benefit option you selected, except if you later qualify to Pop-Up or Pop-Down. If you are approved for disability retirement benefits and the benefits paid under service retirement are less than the benefits owed under the provisions of disability retirement, the difference will be paid to you.

Temporary Benefit while Pursuing Disability

If you have terminated covered employment, have less than 15 days of unused leave, and are not eligible for service retirement but have applied for disability retirement, you may apply for a temporary benefit while pursuing approval for disability retirement. If you are eligible for this temporary benefit, your PERS benefit analyst will send you DSBL 11, *Temporary Benefit Application*, to complete and submit. All medical information and required forms must be submitted before you are eligible for the temporary benefit.

The temporary benefit will be paid as a partial distribution of your accumulated contributions and will equal no more than 50 percent of your accumulated contributions. You will receive up to 18 monthly installments; however, the installments will be no more than one half of the estimated monthly disability retirement allowance to which you would become entitled under the benefit option you select.

The temporary benefit will cease at the end of the 18-month time frame or at the time a final disability determination is made, whichever occurs first. These payments will be recovered through an actuarial reduction of any future monthly benefits.

Continuing Qualification

If you are approved for disability retirement benefits, you may be required to submit to periodic medical examinations. If you are determined to no longer qualify for disability retirement through either a medical evaluation or documented earnings ability, your disability retirement benefits will be subject to termination by the PERS Board of Trustees.

Income Restrictions

As a disability retirement benefit recipient, you may work and earn no more than the difference between your average compensation before retirement and the benefit amount paid after retirement, excluding Cost-of-Living Adjustments. You cannot be reemployed in the same general position from which you retired or in a position with similar job requirements. These income restrictions apply until age 60 for Age-Limited Disability retirees and until the end of the temporary allowance period for Tiered Disability retirees. This limitation applies to earned income only, not passive income such as interest income or Social Security income. You are required annually to submit copies of your federal income tax returns and other supporting income earnings documents.

Age-Limited Disability Plan

The Age-Limited Disability Plan is applicable to members employed before July 1, 1992, who did not elect the Tiered Disability Plan, and who have not received a refund of contributions since July 1, 1992.

Under the Age-Limited Disability Plan, non-duty-related disability retirement benefits are available to vested

members under the age of 60. Vested members who are under the Age-Limited Disability Plan and who are age 60 or older are not eligible for disability retirement but may apply for service retirement.

Use the table below to calculate your Maximum Annual Benefit under the Age-Limited Disability Plan. The

Example Figures shown below illustrate how this formula works for a member who retired at age 57, has 24 years of service credit with a Service Credit Factor of .550 percent, and has an average compensation of \$31,500.

Calculation	Your Figures		Example Figures	
Add Years of Service Credit to Years from Current Age to Age 60	Years of Service Credit		24	
	+	Years to Age 60	+	3
	Total Years of Service Credit		27	
▼				
Look Up Service Credit Factor**	Total Years of Service Credit		27	
	Service Credit Factor		.550%	
▼				
Multiply Average Compensation* by Service Credit Factor	Average Compensation *		\$31,500	
	x	Service Credit Factor	x	.550%
	Maximum Annual Benefit		\$17,325	

* Use the Benefit Estimate Calculator in the PERS Member Handbook (page 27) to calculate your Average Compensation.

**Reference Appendix F under Tier 1 in the PERS Member Handbook (page 62) to look up your Service Credit Factor.

Tiered Disability Plan

The Tiered Disability Plan is applicable to members employed before July 1, 1992, who elected the Tiered Disability Plan, and is offered as the sole plan selection to new members who enter PERS on or after July 1, 1992. With the Tiered Disability Plan, you begin with a Temporary Allowance and you eventually move to a Deferred Allowance. The timing of this transition is based on the effective date of your disability retirement allowance. (See chart below for transition ages from Temporary Allowance to Deferred Allowance.)

Temporary Allowance equals the higher of either:

- 40 percent of average compensation or
- benefits calculated under the service retirement formula based on actual years of service accumulated prior to disability retirement.

The temporary allowance also may include an additional supplement of 10 percent of average compensation per dependent child, up to 20 percent of average compensation for two or more dependent children.

Deferred Allowance is the greater of either:

- benefits calculated under the service retirement formula based on actual years of service accumulated prior to disability retirement or
- benefits not exceeding 40 percent of average compensation based on the total of actual service credit plus service credit for the period of the Temporary Allowance.

If Temporary Allowance begins at age...

Then Deferred Allowance begins at age...

60 or younger

65

61 or 62

66

63 or 64

67

65 or 66

68

67

69

68

70

69 or older

1 year from effective date of retirement

Example: If you are age 60 or younger when your disability retirement allowance becomes effective, you transition from Temporary Allowance to Deferred Allowance at age 65. If you are age 61 or older when your disability retirement allowance becomes effective, you transition from Temporary Allowance to Deferred Allowance at the age outlined on chart above.



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Disclaimer

This guide is published for members of the Public Employees' Retirement System of Mississippi (PERS) to provide general information regarding PERS laws, policies, and regulations and is subject to periodic revision as laws, policies, and regulations change. See all current PERS Board of Trustees Regulations at www.pers.ms.gov/Content/Pages/Board-Regulations.aspx.

PERS administers the benefits described in this guide on behalf of participating employers. This guide is meant to serve as a general reference to our members and should not be used as a legal reference or a complete statement of the laws or administrative rules related to disability retirement. If any conflict exists between the information in this guide and the applicable laws or administrative rules, the laws and administrative rules shall prevail.

Other Resources

The following resources can be found on the PERS website, www.pers.ms.gov.

- PERS Member Handbook
- PERS Board Regulation 35, *Filing an Application for Monthly Benefits and Establishing an Effective Date of Retirement*
- PERS Board Regulation 42, *Rules of Hearing Practice and Procedure before the Board of Trustees*
- PERS Board Regulation 45A, *Administration of Disability Benefits under PERS*
- PERS Board Regulation 63, *Temporary Benefit*